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FISCAL IMPACT REPORT

ORIGINAL DATE 1/30/08

SPONSOR Rodriguez LAST UPDATED _____ HB _____

SHORT TITLE UNM Health Center Hepatitis C Program SB 345

ANALYST Haug

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|-----------|-------------------------|------------------|
| FY08 | FY09 | | |
| | \$2,000.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act.

Relates to HB472, HB 601

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Department of Health (DOH)

New Mexico Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 345 appropriates \$2,000.0 from the general fund to the Board of Regents of the University of New Mexico to support a hepatitis C program at the University of New Mexico Health Sciences Center.

FISCAL IMPLICATIONS

The appropriation of \$2,000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

This request was not submitted by UNM to the New Mexico Higher Education Department for review, but is included in the Department's funding recommendation for FY09 continuance of recurring funding in the amount of \$550,000.

SIGNIFICANT ISSUES

According to the DOH, SB345 would support the UNM/HSC Hepatitis C Program, which provides local access to Hepatitis C disease management and treatment services for infected persons living in rural and underserved communities across the state. The UNM/HSC Hepatitis C Program provides clinical consult services and intensive training to rural primary care physicians utilizing telehealth technology. Medical specialists at UNM/HSC provide expertise and co-manage care of Hepatitis C patients with the rural-based primary care physician.

The HED notes further that approximately 24,000 to 28,000 persons may be infected with Hepatitis C in the state (Hepatitis C Surveillance Report 2006, DOH). Specialist care for chronic diseases such as Hepatitis C is frequently unavailable in rural communities of the state. Persons infected with Hepatitis C may not pursue care until the disease has progressed and adverse medical consequences have occurred, ultimately resulting in a higher cost of care. SB345 could promote local and affordable access to Hepatitis C management and treatment services, potentially leading to earlier initiation of medical care to persons living in those rural communities.

According to the HED, funding would expand the number of sites under the existing Hepatitis C Program; build a model program of rheumatology experts and of mental health disorder experts, and continue to sustain and expand the scope of the existing program by using its developed model to treat other complicated, chronic health conditions throughout rural areas of the state such as:

- Substance Use Disorder
- Behavioral/Mental Health
- HIV/AIDS
- Rheumatology
- Cardiac Risk Reduction
- Diabetes
- Weight Reduction
- Smoking Cessation
- High risk Pregnancy

The HPC states that through a \$2.8 million legislative allocation in 2005-2006, the Hepatitis Prevention Program entered into a partnership with the UNM Health Sciences Center, NM Corrections Department, and NM Primary Care Association to develop a model for providing chronic disease management services at primary care sites for HCV infected persons in rural or underserved communities of New Mexico. This model utilizes video-conferencing technology to provide specialty care across a spectrum of areas including gastroenterology, psychology, and substance use disorders. The Hepatitis C Initiative facilitates services including pharmaceutical treatment, where indicated, as well as case management for co-morbid conditions and substance use disorders. Currently there are 11 sites in operation throughout New Mexico

RELATIONSHIP

Relates to \$1.6 million, including base funding for the Hepatitis C Initiative, for Project ECHO at the University of New Mexico Health Sciences Center (HSC) in the DOH's Executive Budget.

Senate Bill 345 – Page 3

House Bill 345 is related to:

HB 472 which appropriates \$750.0 to support a hepatitis C program and expansion of the project ECHO program; and

HB 601 which appropriates \$100.0 to support and expand the hepatitis C ECHO program.

GH/mt